



Press release

Israeli court to approve SHL's claim in connection with breach of merger agreement

Tel Aviv / Zurich, 20 June 2017 – SHL Telemedicine Ltd. (SIX Swiss Exchange: SHLTN, OTCPK: SMDCY) ("SHL"), a leading provider and developer of advanced personal telemedicine solutions, announced today that the District Court of Tel Aviv has ruled in favor of SHL with regards to its claim against Shanghai Jiuchuan Investment (Group) Co. Ltd. in connection with the merger agreement terminated on 1 December 2015 (cf. Annual Statement of SHL for 2015, p. 10 et seq. and 95 as well as ad-hoc publication dated 18 March 2016). In its decision, the court has ruled that the complete pre-agreed compensation for breach of contract in the amount of NIS 43,870,000 (CHF 12 million as of today), representing 10% of the merger consideration, shall be paid to SHL along with interest, legal fees and other expenses. The court has ordered that the related funds in escrow in Israel in the amount of approximately USD 3.5 million, will be paid to SHL within seven days and deducted from the total amount awarded.

The defendant may appeal the decision to the Supreme Court of Israel within 45 days.

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About SHL Telemedicine

SHL Telemedicine is engaged in developing and marketing personal telemedicine systems and the provision of medical call center services, with a focus on cardiovascular and related diseases, to end users and to the healthcare community. SHL Telemedicine offers its services and personal telemedicine devices to subscribers utilizing telephonic and Internet communication technology. SHL is listed on the SIX Swiss Exchange (SHLTN, ISIN: IL0010855885, Security No.: 1128957) and has an ADR program listed over-the counter; Symbol: SMDCY. For more information, please visit the web site at www.shl-telemedicine.com.

Some of the information contained in this press release contains forward-looking statements. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. SHL Telemedicine undertakes no obligation to publicly update or revise any forward-looking statements.